

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION of OIL, GAS and MINING  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291

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Incoming  
MO210008  
TaskID# 3713

cc: Lynn

APPROVED

AUG 25 2010

DIV. OIL GAS & MINING

APPLICATION FOR TRANSFER  
OF  
NOTICE OF INTENTION TO COMMENCE LARGE MINING OPERATIONS

Application is hereby made to transfer the permit to commence large mining operations for the  
Iron Mountain Mine mine, permit # M/ 21 / 0008, currently  
operated by Palladon Iron Corporation (transferor)  
to CML Metals Corporation (transferee).

As used herein, TRANSFEROR refers to the current operator; TRANSFEE refers to the  
proposed new operator; NOI refers to the Notice of Intention to Commence Large Mining  
Operations; PERMIT refers to the approved (or accepted) NOI, including the reclamation  
contract and reclamation surety.

Upon approval of the Application for Transfer:

1. The Transferor agrees to transfer all rights and obligations to operate under the terms of the NOI to the Transferee, The Transferor will not retain any rights to conduct mining operations within the area covered by the approved NOI.
2. Both parties understand the transfer of the ***NOI is not complete until all the applicable requirements are met***, including the submittal and Division approval of an appropriate reclamation surety and a reclamation contract.
3. The transferee has read and has a copy of the current NOI.
4. The Transferee has inspected the site and is fully aware of all existing conditions and responsible for compliance with the conditions of the permit and the obligations regardless of the nature of the conditions at the site.
5. Transferee shall conduct mining operations on lands included in the NOI in accordance with the Utah Mined Land Reclamation Act, (ACT) Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended), and the rules promulgated under the ACT (R647- et seq., and the approved NOI.
6. The Transferee shall provide a surety in a form and amount approved by the Division to assure reclamation of the lands affected by the mining operations.

The **Transferor** will remain liable for compliance at the mine site until this transfer application is approved.

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AUG 23 2010

Div. of Oil, Gas & Mining

The signatory below represents that he/she has authority to execute this transfer on behalf of the Transferor, if not a natural person. Statements made in the application are true and correct to the best of my knowledge and belief.

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DIV. OIL GAS & MINING

TRANSFEROR:

Palladon Iron Corp  
Operator/Transferor Name

By Dale Gilbert Dale Gilbert  
Name of Authorized Officer (Typed or Printed)

President / CEO  
Title of Authorized Officer

Dale Gilbert 8-17-10  
Officer's Signature Date

STATE OF Utah )

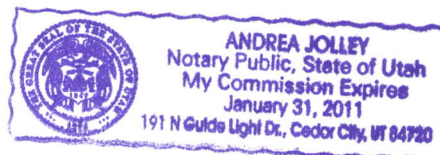
COUNTY OF Iron ) ss:

On the 17 day of August, 20 10, Dale Gilbert  
personally appeared before me, who being by me duly sworn did say that he/she is  
an officer (owner, officer, director, partner, agent or other (specify))  
of the Operator Palladon Iron Corp.  
and duly acknowledged that said instrument was signed on behalf of said Operator  
by authority of its bylaws, a resolution of its board of directors, or as may otherwise  
be required to execute the same with full authority and to be bound hereby.

Andrea Jolley  
Notary Public

Cedar City, Utah  
Residing at

January 31, 2011  
My Commission Expires:





The signatory below represents that he/she has authority to execute this transfer on behalf of the Operator/Transferee, if not a natural person; and the operator/transferee is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah. Statements made in the application are true and correct to the best of my knowledge and belief.

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DIV. OIL GAS & MINING

TRANSFEE:

CML Metals  
Operator/Transferor Name

By Dale Gilbert  
Name of Authorized Officer (Typed or Printed)

President/CEO  
Title of Authorized Officer

Dale Gilbert 8-17-10  
Officer's Signature Date

STATE OF Utah)  
COUNTY OF Iron) ss:

On the 17 day of August, 20 10, Dale Gilbert  
personally appeared before me, who being by me duly sworn did say that he/she is  
an officer (owner, officer, director, partner, agent or other (specify))  
of the Operator CML Metals Corp.  
and duly acknowledged that said instrument was signed on behalf of said Operator  
by authority of its bylaws, a resolution of its board of directors, or as may otherwise  
be required to execute the same with full authority and to be bound hereby.

Andrea Gully  
Notary Public

Cedar City, Utah  
Residing at

January 31, 2011  
My Commission Expires:

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3. Certification:

DIV. OIL GAS & MINING

**This certification must be signed by:**

- (1.) an executive officer if the applicant is a corporation;
- (2.) a partner if applicant is a partnership (general or limited);
- (3.) the owner if applicant is a sole proprietorship;
- (4.) the member or manager if applicant is a limited liability company; or
- (5) the individual if the applicant is filing as an individual:

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- a. Palladon Iron Corporation (transferor), has provided a copy of the approved mining and reclamation plan. I will follow the approved mining and reclamation plan until such time that I provide the Division with an amended Notice of Intention (plan) and receive approval of the amended Notice; AND
- b. I commit to the reclamation of the aforementioned large mining operation as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.

Signature: Dale Gilbert Date: 8-17-10

Name (typed or printed): Dale Gilbert

Title/Position (if applicable): President / CEO

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
Telephone: (801) 538-5291 Fax: (801) 359-3940

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DIV. OIL GAS & MINING

**NOTICE OF INTENTION TO COMMENCE LARGE MINING OPERATIONS**

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program. (R647-4-et seq.)

*These pages will replace the corresponding pages in the original NOI.*

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**1. GENERAL INFORMATION**

1. Name of Mine: Iron Mountain Mine
2. Legal name of entity (or individual) for whom the permit is being requested: CML METALS, Corp  
Mailing Address: 6249 West Gilbert Industrial Court  
City, State, Zip: Hurricane, UT 84737  
Phone: (435) 627-1899 Fax: (435) 627-1411  
E-mail Address: aly@cmlmetals.com

**Type of Business:**

Corporation X, LLC     , Partnership – general      or limited     ,  
Sole Proprietorship (dba)     , or Individual     

**Entity must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC).**

Are you currently registered to do business in the State of Utah? Yes X No     

Entity # 5876314-0412

If no, contact DOC at [www.commerce.utah.gov](http://www.commerce.utah.gov) to renew or apply.

Local Business License # : 000389 (if required)

Issued by: City:      or County: Iron County

**If Business is a Sole Proprietor:**

Name of owner:      Title:     

Business Address:     

City, State, Zip:     

Phone:      Fax:     

E-mail Address:     

**If Business is a Partnership:**

Name of Partner:     

Business Address:     

City, State, Zip:     

Phone:      Fax:     

E-mail Address:

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**If Business is a Corporation:**

Name of Officers: Dale Gilbert Title: CEO **DIV. OIL GAS & MINING**  
Ken Glascock Title: CFO  
Sam Paoletti Title: COO  
Title: \_\_\_\_\_  
Corporate Address: 6249 West Gilbert Industrial Court  
City, State, Zip: Hurricane, UT 84737  
Phone: (435) 627-1899 Fax: (435) 627-1411  
E-mail Address: aly@cmlmetals.com

**If Business is a Limited Liability Company: Member Managed \_\_\_\_\_ Manager Managed \_\_\_\_\_**

Name of 1<sup>st</sup> Member/Manager: \_\_\_\_\_ Title: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

2nd Member/Manager: \_\_\_\_\_ Title: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

**2. Contacts:**

**This person may be notified for: permitting X surety X Notices X**  
**(please check all that apply)**

Name: Alysen Pedersen Title: Mine Geologist  
Address: 6249 West Gilbert Industrial Court  
City, State, Zip: Hurricane, UT 84737  
Phone: (435) 627-1899 Fax: (435) 627-1411  
Emergency, Weekend, or Holiday Phone: (801) 918-0799  
E-mail Address: aly@cmlmetals.com

**This person may be notified for: permitting \_\_\_\_\_ surety \_\_\_\_\_ Notices \_\_\_\_\_**  
**(please check all that apply)**

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Emergency, Weekend, or Holiday Phone: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

**Registered Utah Agent (as identified with the Utah Dept of Commerce) (if individual leave blank):**

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_